## IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WISCONSIN

LOOP, LLC, D/B/A AUTOLOOP, on behalf of itself and all others similarly situated,

Plaintiff,

v.

Case No. 3:24-cv-00571-jdp

CDK GLOBAL, LLC,

Defendant.

#### THE VENDOR CLASS'S NOTICE OF SUPPLEMENTAL AUTHORITY

The Vendor Class respectfully submits this notice of supplemental authority in support of its unopposed motion for preliminary approval of settlement. *See* Dkt. 248 (filed Jan. 27, 2025).

On February 25, 2025, Chief Judge Pallmeyer held a final approval hearing for the \$100 million settlement between the Dealer Class and CDK Global, LLC ("CDK") – a case that was consolidated with this one in the MDL and involved the same core facts and theories of liability – and granted final approval that same day. *See* MDL Dkt. 1545 (attached as Exhibit A). The court found the Dealer Class settlement "in all respects, fair, reasonable and adequate to the CDK Dealership Class." *Id.* at 5. Chief Judge Pallmeyer also awarded Dealer Class counsel attorney's fees equal to 33 percent of the *gross* combined settlement amount with CDK (\$100 million) and The Reynolds and Reynolds Company (\$29.5 million, plus interest). *Id.* at 8. The court also awarded Dealer Class counsel \$7,192,133.86 for reimbursable expenses and each of the 23 dealership class representatives a \$10,000 service award, for a total of \$230,000. *See id.* at 9.

Chief Judge Pallmeyer's final approval of the Dealer Class settlement supports the Vendor Class's unopposed motion for preliminary approval of its settlement with CDK. *See* Dkt. 248. *First*, the Vendor Class settlement provides far greater monetary relief than the Dealer Class

Settlement. The Vendor Class settled with CDK for \$630 million; the approved Dealer Class settlement with CDK is for \$100 million. The Vendor Class settlement amount is an extraordinary 130 percent of claimed single damages. The Dealer Class, in seeking approval of their settlement (less than one-sixth the size of the Vendor Class's) made no representation regarding how that settlement compared to their own claimed damages. The Vendor Class received this greater monetary relief despite the Dealer Class pursuing the same claims based on the same facts and same legal theories. Further, as explained in the preliminary approval motion, the Vendor Class settlement for \$630 million is \$140 million more than the \$490 million in actual damages that the Vendor Class would have sought at trial. *See id.* at 1, 11. The settlement achieved in this case is so extraordinary that each class member will receive at least *82 percent* of their alleged damages, as calculated by the Vendor Class's expert, even after deducting potential attorney's fees, reimbursed expenses, and class service awards. *See id.* 9.

Second, Chief Judge Pallmeyer approved a proportionately greater fee award than Vendor Class Counsel will seek here. Counsel for the Dealer Class received 33 percent of the gross combined settlement before deduction of expenses. See Ex. A at 8. But Vendor Class Counsel will seek only up to one-third of the net settlement after deduction of expenses.

Finally, Chief Judge Pallmeyer approved class representative awards totaling \$230,000 – \$10,000 for the 23 class representatives. See id. at 9. The Vendor Class will seek a comparable \$250,000 award for AutoLoop, the single class representative that shouldered the entire burden of representing the class on its own.

In short, Chief Judge Pallmeyer's approval of the Dealer Class's settlement with CDK demonstrates that this Court will "likely be able to . . . approve" the more favorable Vendor Class settlement, and hence, should grant preliminary approval. Fed. R. Civ. P. 23(e)(1).

Dated: March 7, 2025 Respectfully submitted,

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